SIXTY-SEVENTH ANNUAL REPORT

FOR THE FISCAL YEAR ENDED JANUARY 1, 1991

Alberta
LIQUOR CONTROL BOARD ALCB

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Alberta
SOLICITOR GENERAL

Office of the Solicitor General

319 Legislature Building, Edmonton, Alberta, Canada T5K 2B6 403 / 427-2468

June, 1991

The Honourable Dr. D. Carter
Office of the Speaker
Legislative Assembly of Alberta

Sir:

I have the honour to submit the Annual Report of the Alberta Liquor Control Board for the fiscal year ended January 1, 1991.

Respectfully submitted,

R. S. (Dick) Fowler, Q.C.
Solicitor General

Alberta
LIQUOR CONTROL BOARD ALCB

50 Corriveau Avenue, St. Albert, Alberta Canada T8N 3T5 Telephone (403) 458-4311

Office of the Chairman
and Chief Executive Officer

June, 1991

Honourable R. S. Fowler, Q.C.
Solicitor General
319 Legislature Building
Edmonton, Alberta
T5K 2B6

Sir:

I have the honour to submit herewith the sixty-seventh report of the Alberta Liquor Control Board for the fiscal year ending January 1, 1991, pursuant to Section 24 of the Liquor Control Act.

Respectfully submitted,

Bob King
Chairman and Chief Executive Officer

Telex Edmonton: 037-2716 Facsimile (403) 458-4034 Cable Address: Permit St. Albert

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Organizational Profile

The Alberta Liquor Control Board is an agent of the Crown. It falls under the jurisdiction of the Solicitor General of Alberta and consists of the Chairman and Chief Executive Officer, Deputy Chairman and Board Member.

The corporate arm of the ALCB administers the organization's operational and administrative duties and is structured into five Divisions - Marketing and Operations, Corporate Services, Finance and Administration, Licensing, and the Board related offices including Internal Audit and Legal Services. The ALCB was restructured in 1990 to enhance communications and accountability, and to improve the overall efficiency of the organization to achieve its service objectives and ability to respond effectively to the changing marketplace of the 1990s.

The ALCB's mission is to provide people in Alberta with beverage alcohol and beverage alcohol-related services in a manner responsive to public demand, sensitive to current social values and within the economic and social policy framework of the Government of Alberta.

In achieving its mission, the ALCB: ensures product quality, selection and availability of beverage alcohol; provides technical support to the liquor manufacturing and hospitality industries in the province; regulates and controls the manufacture, importation, keeping and conveyance of beverage alcohol in Alberta; administers the Liquor Control Act and Regulation; and generates revenues for the citizens of Alberta.

In 1990 the ALCB offered Albertans one of the most varied and extensive product selections in North America - nearly 3200 product lines from 42 countries around the world. These products were made available across Alberta through a distribution network consisting of 212 liquor stores and 11 brewery owned retail beer outlets. In addition, 3 retail wine stores were operated by wine manufacturers, 13 retail wine stores were privately owned and managed as agency stores of the ALCB, 17 cold beer vendors were in operation as licensed premises, and one brew-pub also operated.

More than 6,000 licences were issued by the ALCB in 1990 for the sale of spirits, wine and beer. During 1990, 14 manufacturers held licences to make beverage alcohol in the province; these included 4 distillers, 4 vintners and 6 brewers.

Net income from the ALCB is remitted to the Province's General Revenue Fund.

CHAIRMAN'S MESSAGE

The 1990 fiscal year was highlighted by a number of initiatives to ensure that the ALCB is able, over the next decade, to effectively respond to the rapidly changing dynamics of the marketplace and the changing corporate strategies of the liquor manufacturing industry.

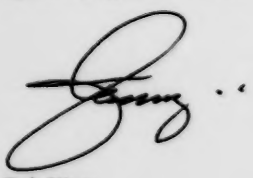
An initiative of particular significance was the comprehensive revision of the Liquor Administration Regulation to bring the legislation more up to date both in relation to consumer trends and industry objectives. This initiative required extensive consultation with the various stakeholders with a vested interest in both the present and future policy direction of the ALCB.

During the past year the ALCB underwent a major reorganization to streamline its Head Office and field operations, to improve its overall efficiency, communications and decision making at all levels of the organization. Various departments have been restructured and consolidated with the net result being fewer departments and fewer levels of management, particularly in the stores system.

The generation of revenue has historically been and continues to be an important policy objective of the ALCB. During the past fiscal year the corporation was successful in meeting the revenue target established by Treasury, and for the first time in the history of the ALCB net income exceeded $400 million. This objective was achieved through a combination of price adjustments, judicious control over operating costs, reduced capital expenditures and substantially improved inventory management.

The licensing area continued to generate a high volume of activity during the period under review. However, of the approximately 6,000 licences that were active as at December 31, 1990, fewer than 100 licensees were required to appear before the Board for disciplinary reasons.

On behalf of the Board, I want to thank all the staff of the ALCB, the liquor manufacturing and hospitality industry, and members of police forces and other regulatory agencies for contributing to another successful year.



Bob King
Chairman and Chief Executive Officer

Year in Review

The Alberta Liquor Control Board made significant strides in 1990 to improve communication with its industry stakeholders and suppliers, to implement strategic decisions for achieving a more cost-effective operation and to position its organization and resources to meet the challenges of the 1990's. The following briefly highlight the areas of focus during the year:

Reorganization

In September, 1990 the Board streamlined operations through a reorganization which will be completed in 1991. The organization essentially reduced the operation from nine departments to five divisions. The overall goal is to improve communication, accountability, achievement of service objectives and to position the organization to meet the challenges of the future.

Employee Training

Consistent with positioning ALCB's resources and programs for the future was the emphasis on employee performance and productivity. A new employee appraisal process was begun to improve training and commitment of employees to job performance and customer service.

Capital Program

The year saw limited capital program expansion and fewer major renovations in ALCB leased and owned stores compared to previous years. Store service was consolidated in some areas of Edmonton and Calgary resulting in three store closures (Edmonton Centennial, Calgary Len Werry and Calgary West) and only one new opening (Calgary Eaton's Centre).

Systems Initiatives

Efforts to achieve more cost effective systems integration continued in order to improve overall system efficiencies and operational productivity. This included a roll out of a new inventory management system intended to centralize the control of warehouse and store inventory levels. The result was a 15% reduction in total case inventory carried by the ALCB with no reduction in service level objectives.

Liquor Control Amendment Act

Bill 42, the Liquor Control Amendment Act, was introduced by the Solicitor General of Alberta in May, 1990. The Bill was passed in the Alberta Legislature in July, 1990. Proclamation of the Act is expected in 1991 pending development of its accompanying regulation. The Bill introduced updated legislation in response to the changing marketplace. Amendments are designed to make the legislation more responsive to the needs of the general public, licensees and suppliers. The last major examination of the legislation occurred in 1980.

Open Communications

During 1990, program and policy reviews were conducted on product listings, retail wine stores, merchandising programs, and supplier agent programs. A primary aim of the reviews was to open channels of communication and thus improve the ALCB's partnership and cooperation with industry.

Revenues

Sales of the ALCB were on target in fiscal 1990. Total sales revenues were $1,040 million in fiscal year 1990, up by a small margin of 3.8 percent over the previous year's performance. However, volumes of beverage alcohol sold in the province were up only 1.4 percent on the strength of the beer market.

While the Alberta economy remained moderately strong against the national average, industry trends continued to show weakness in the spirits and wine retail markets. Beer sales were moderately higher for the first time in ten years reflecting in part improved seasonal sales.

Remittances

Operating expenses for fiscal year 1990 amounted to $85.4 million, an increase of 3.2 percent over fiscal year 1989. Reorganization and fiscal restraint measures were successful in containing the ALCB's expenditure growth to below inflation rates. Combined with a modest sales growth, remittances to the Provincial Treasurer amounted to $400 million, an increase of $21 million over 1989.

Responsible Use

The ALCB continued its participation in the Alberta government's campaign against drinking and driving. It distributed literature in liquor stores, and printed the Checkstop logo on some 30 million customer checkout bags. The ALCB continued to encourage beverage alcohol advertisers to promote responsible use,

and also promoted the Checkstop and Designated Driver program in its customer service product guide, *At Your Service*. The ALCB is a member of the province's Impaired Driving Countermeasures Committee.

Environmental Committee

To review its own environmental practices in the use of materials such as paper, glass, wood and plastic, the ALCB established an environmental working committee. The committee was formed in 1990 and will recommend in 1991 feasible ways in which the corporation can be more environmentally friendly in its operations. In addition a task force chaired by the Deputy Chairman completed a comprehensive review of environment programs and issues for all Canadian Provinces and Territories. The ALCB will use the results to help establish policy directives consistent with the general findings.

Staff Distribution

Positions Occupied as at December 23, 1990

	Permanent		Temporary		TOTAL	
ADMINISTRATIVE OFFICES	**1990**	1989	**1990**	1989	**1990**	1989
Chairman & Board Members	**2**	2			**2**	2
Executive Assistant	**0**	1			**0**	1
Administrative Officer	**1**	3			**1**	3
Secretaries & Clerical	**2**	3	**1**		**3**	3
DIVISIONS						
Board Related						
Internal Audit	**20**	19			**20**	19
Legal	**3**	4	**1**		**4**	4
Corporate Services	**81**	101		5	**81**	106
Information Systems	**83**	72	**3**	4	**86**	76
Human Resources	**29**	25	**1**		**30**	25
Finance & Administration	**91**	61	**3**	2	**94**	63
Licensing & Permits	**80**	79			**80**	79
Marketing & Operations	**46**	59	**3**	4	**49**	63
Stores	**684**	715	**3**	4	**687**	719
Warehouses	**113**	110		1	**113**	111
LONG TERM DISABILITY	**39**	35			**39**	35
TOTAL	**1,274**	**1,289**	**15**	**20**	**1,289**	**1,309**

Hours worked by part-time and casual staff **1990** **1,218,583** 1989 1,183,192

Licensing Highlights

Manufacturers' Licences Issued
(JANUARY 1, 1990 - DECEMBER 31, 1990)

Licence No.	Name	Location
Distillers' Licences		
1	Alberta Distillers, Limited	Calgary
2	Palliser Distillers Ltd.	Lethbridge
3	Highwood Distillers Ltd.	High River
4	Cambridge Distillers Limited	Calgary
Brewers' Licences		
1	Molson Breweries, (A Partnership)	Edmonton
2	Molson Breweries, (A Partnership)	Lethbridge
	Note: Licence No. 2 ceased operation effective March 31, 1990	
3	Molson Breweries, (A Partnership)	Calgary
4	Labatt Brewing Company Limited	Edmonton
5	Drummond Brewing Company Ltd.	Red Deer
6	Big Rock Brewery Ltd.	Calgary
7	Strathcona Brewing Inc.	Edmonton
8	Calgary Interbrew Ltd.	Calgary
	Note: Licence No. 8 ceased operation effective January 15, 1990	
Wine Manufacturers' Licences		
1	Andres Wines (Alberta) Ltd.	Calgary
2	Rideout Wines Limited	
	Chateau-Gai Wines Limited	Calgary
	Note: Licence No. 2 ceased operation effective March 31, 1990	
3	Andrew Wolf Cellars Ltd.	Stony Plain
4	Anlu Development Corporation Ltd.	
	Lewis Brothers Winery	Grande Prairie

Sacramental Wine Permits Issued
(JANUARY 1, 1990 - DECEMBER 31, 1990)

Permit No.	Name	Location
1	Universal Church Supplies (1988) Ltd.	Edmonton
2	Diocese of St. Paul	St. Paul
3	Universal Church Supplies Ltd.	Calgary
4	St. John of God Books and Tapes Association	Edmonton
	Note: Permit No. 4 issued effective July 9, 1990.	

Licences and Permits Issued

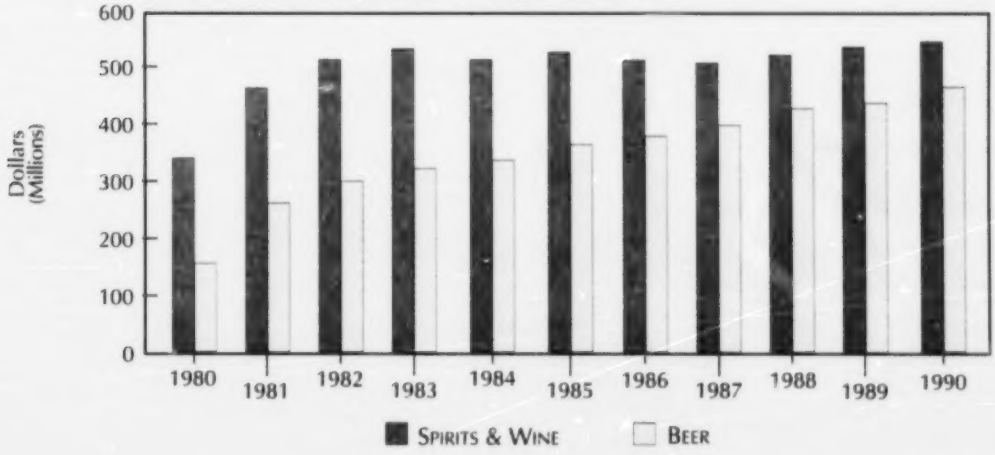
Licences	In Effect December 31, 1990	In Effect December 31, 1989
Beverage Room	**578**	590
Beer Vendors	**497**	503
Cold Beer Vendors	**17**	10
Dining Lounge	**2,195**	2,083
Dining Lounge (Restricted)	**676**	708
Lounge	**1,074**	1,066
Night Club	**7**	7
Club		
Annual	**260**	252
Seasonal	**267**	257
Canteen	**48**	47
Recreational Facility	**192**	178
Institution		
Post-Secondary	**28**	27
Residential Facility	**73**	64
Theatre	**35**	36
Travellers Lounge	**7**	9
Racetrack	**8**	9
Sports Stadium	**17**	18
Commercial Passenger Airplane	**6**	7
Passenger Train	**3**	1
Water Excursion Craft	**1**	1
Brew-Pub	**1**	1
	5,990	5,874
Breweries	**8**	8
Distilleries	**4**	4
Wine Manufacturers	**4**	4
Sacramental Wine Permits	**4**	3
TOTAL	**6,010**	**5,893**
	Issued 1990	Issued 1989
Special Events Permits	**227**	167
Permits		
Annual	**233**	219
Resale	**17,309**	18,339
Ordinary	**22,952**	23,977
Display	**10**	4
Physicians, Druggists, Dentists, etc.	**84**	77
Industrial	**113**	102
Hospital	**84**	80
TOTAL	**41,012**	**42,965**

Financial Highlights — 1980 to 1990

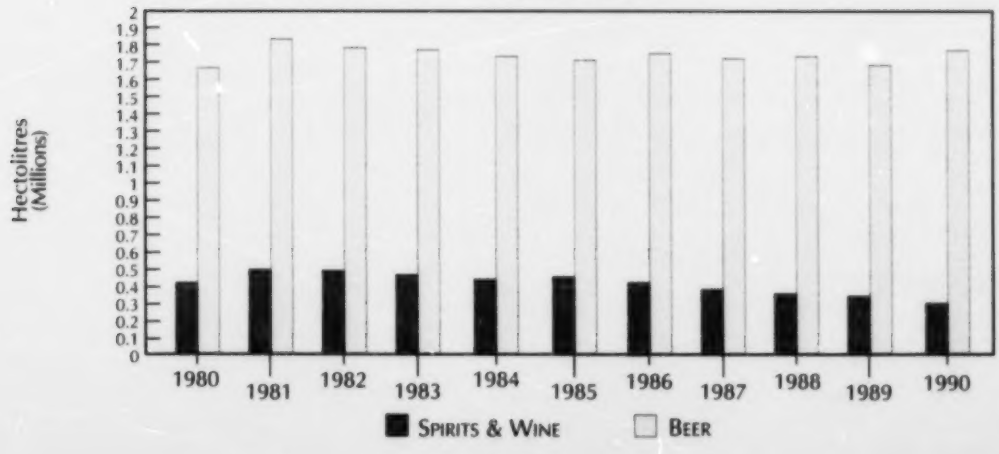
Dollars in millions; Volume in thousands of hectolitres

YEAR	SALES SPIRITS & WINE	SALES BEER	REMIT TO TREASURY	NET INCOME	SALES TO LICENSEES	VOLUME SPIRITS & WINE	VOLUME BEER	NUMBER OF STORES	NUMBER OF EMPLOYEES
1990	560.7	480.1	400.0	403.8	340.1	374.7	1772.0	223	1,289
1989	554.1	448.5	379.0	383.0	306.5	389.6	1728.3	227	1,309
1988	550.6	435.3	365.0	387.2	290.9	405.5	1730.2	226	1,257
1987	533.6	408.5	366.5	359.8	274.2	417.1	1720.8	228	1,225
1986	526.4	382.5	312.0	321.4	228.3	438.7	1750.2	230	1,299
1985	540.9	353.0	323.0	320.7	251.2	478.1	1735.1	225	1,325
1984	513.7	343.4	299.5	302.4	234.2	452.0	1762.8	219	1,377
1983	524.7	337.2	289.0	296.2	227.3	471.6	1789.2	215	1,462
1982	512.2	308.7	233.1	279.5	210.3	508.8	1812.9	206	1,452
1981	468.4	263.9	183.1	236.9	191.8	510.8	1839.5	201	1,430
1980	350.2	167.5	170.5	174.1	142.2	437.8	1672.4	194	1,337

Historical Sales Dollars — 1980 to 1990



Historical Sales Volumes — 1980 to 1990



Financial Overview

Sales Statistics — 1990

Ten Largest Stores	Sales $
1. Calgary-Willow Park	21,961,892
2. Calgary-Sunridge	15,412,111
3. Calgary-Westbrook	14,189,793
4. Edmonton-Northgate	13,209,459
5. Grande Prairie	12,838,911
6. Red Deer-South	12,687,019
7. Calgary-Hunterhorn	12,467,135
8. Edmonton-Southgate	12,355,990
9. Sherwood Park	12,300,031
10. Edmonton-106 Street	11,874,662

Ten Smallest Stores	Sales $
Warburg	358,258
Willingdon	327,726
Waterton Park	324,896
Myrnam	301,752
Standard	254,563
Empress	227,908
Carbon	196,408
Derwent	186,969
Suffield	157,226
Big Valley	140,639

Sales

Public	$690,134,002
Licensees	340,101,660
Others	10,524,198
Total	$1,040,759,860

Cold Beer Vendors

Number of Vendors	17
Sales to Vendors	$40,118,582

Sales to Other Liquor Boards

Northwest Territories	$442,692
Saskatchewan	42,930
Yukon	41,781
Manitoba	12,776
British Columbia	11,267
Others	891
Total	$552,337

Wine Boutiques

Number of Boutiques	13
Sales to Boutiques	$9,433,544

Gift Certificates

Number Issued	3113
Dollar Value Issued	$53,795
Redeemed Value	$43,420

SCHEDULE OF SALES BY STORES

For the year ended January 1, 1991

	SPIRITS	WINE	IMPORT BEER	DOMESTIC BEER	TOTAL SALES 1990	TOTAL SALES 1989
ACME	$219,079	$26,579	$27,124	$111,293	**$384,075**	$335,666
AIRDRIE	1,908,610	430,228	305,434	1,100,570	**3,744,842**	3,303,491
ALIX	337,487	23,740	30,137	149,544	**540,908**	533,437
ANDREW	243,131	24,492	6,362	87,726	**361,711**	377,737
ATHABASCA	1,652,273	253,659	79,057	907,639	**2,892,628**	2,626,311
BANFF	3,325,122	2,173,419	439,799	2,067,659	**8,005,999**	7,619,472
BARRHEAD	1,774,938	287,043	303,285	670,635	**3,035,901**	2,924,740
BASHAW	406,847	43,819	52,129	159,933	**662,728**	632,616
BASSANO	456,281	57,288	62,798	164,563	**740,930**	707,798
BEAUMONT	877,029	243,985	114,572	570,181	**1,805,767**	1,695,890
BEAVERLODGE	450,217	78,425	23,892	273,921	**826,455**	800,346
BEISEKER	297,905	34,755	30,096	167,998	**530,754**	500,171
BENTLEY	310,176	45,950	38,226	157,964	**552,316**	500,423
BIG VALLEY	83,215	6,319	11,071	40,034	**140,639**	131,135
BLAIRMORE	1,103,632	185,737	96,217	513,533	**1,899,119**	1,757,875
BONNYVILLE	1,857,396	314,419	77,635	1,217,365	**3,466,815**	3,527,528
BOW ISLAND	411,313	45,540	85,127	167,585	**709,565**	693,920
BOWDEN	237,087	30,392	42,710	125,671	**435,860**	399,447
BOYLE	649,577	83,282	34,800	361,840	**1,129,499**	1,049,434
BRETON	303,594	42,802	19,235	165,135	**530,766**	510,216
BROOKS	2,793,059	436,849	497,960	1,108,388	**4,836,256**	4,662,348
BRUDERHEIM	246,745	32,850	14,128	141,877	**435,600**	406,665
CALGARY						
-ALTADORE	2,124,497	900,491	269,794	1,718,473	**5,013,255**	4,606,765
-BRAESIDE	4,368,984	1,802,724	484,099	2,682,810	**9,338,617**	9,347,822
-BRENTWOOD	5,099,735	2,575,331	493,165	2,990,224	**11,158,455**	11,286,769
-CENTRAL	1,756,058	876,787	163,305	987,372	**3,783,522**	3,467,256
-CENTRE STREET NORTH	2,817,722	979,698	251,008	1,410,735	**5,459,163**	12,269,103
-CHINOOK	4,396,338	1,332,425	541,439	2,857,636	**9,127,838**	1,713,944
-CROWFOOT	2,985,595	1,736,821	327,628	1,949,013	**6,999,057**	5,186,278
-DEER RUN	2,164,502	023,505	322,080	1,477,578	**4,987,665**	4,868,544
-EATON CENTRE (opened 08/90)	724,482	343,607	24,857	148,387	**1,241,333**	0
-FISHER PARK	-	-	-	-	-	3,885,293
-FOREST LAWN	5,766,217	1,139,330	565,876	3,876,175	**11,347,598**	11,056,630
-HUNTERHORN PLAZA	5,823,304	1,953,284	719,082	3,971,465	**12,467,135**	11,748,289
-INGLEWOOD	1,216,576	299,643	165,961	732,942	**2,415,122**	2,565,299
-LEN WERRY (closed 08/90)	961,130	310,809	47,885	360,600	**1,680,424**	2,937,736
-MARKET MALL	2,578,311	1,680,231	238,476	1,472,542	**5,969,560**	6,073,743
-MIDNAPORE	2,038,862	994,727	313,317	1,501,174	**4,848,080**	4,382,353
-MISSION BRIDGE	1,600,479	842,065	171,072	1,100,204	**3,713,820**	3,430,894
-MONTGOMERY	2,226,288	703,176	301,206	1,914,606	**5,145,276**	5,126,911
-MOUNT ROYAL	2,133,908	1,174,082	226,237	1,612,762	**5,146,989**	9,199,835
-NORTH HILL	3,808,625	1,795,350	414,241	2,335,736	**8,353,952**	6,223,990
-OGDEN	2,068,635	494,435	365,085	1,833,072	**4,761,227**	4,618,131

SCHEDULE OF SALES BY STORES

For the year ended January 1, 1991

	SPIRITS	WINE	IMPORT BEER	DOMESTIC BEER	TOTAL SALES 1990	TOTAL SALES 1989
-PALLISER	4,173,719	1,771,021	394,002	2,835,004	**9,173,746**	8,324,729
-SARCEE	2,542,468	1,008,921	316,554	1,719,942	**5,587,885**	5,422,365
-SILVER SPRINGS	-	-	-	-	-	500,220
-SUNRIDGE	7,387,088	2,871,513	746,039	4,407,471	**15,412,111**	14,533,207
-TRANS CANADA MALL	5,547,952	1,239,291	626,438	3,834,893	**11,248,574**	12,274,193
-WEST (closed 08/90)	283,926	141,850	28,866	175,217	**629,859**	975,061
-WESTBROOK	6,346,292	2,775,956	742,289	4,325,256	**14,189,793**	13,790,499
-WILLOW PARK	10,152,691	4,881,584	1,112,028	5,815,589	**21,961,892**	20,971,696
-WAREHOUSE	25,288,516	11,471,147	2,634,856	-	**39,394,519**	41,236,013
-RETAIL BEER	-	-	-	88,305,220	**88,305,220**	68,955,719
CALMAR	486,288	110,205	47,082	251,881	**895,456**	861,983
CAMROSE	3,412,056	538,229	255,463	1,669,999	**5,875,747**	5,695,690
CANMORE	1,353,103	675,357	141,734	1,014,789	**3,184,983**	2,928,788
CARBON	104,053	10,776	30,140	51,439	**196,408**	188,344
CAROLINE	348,181	36,385	46,372	222,227	**653,165**	608,805
CARSTAIRS	487,325	58,480	34,730	249,640	**830,175**	767,404
CASTOR	435,670	48,741	33,170	220,406	**737,987**	717,978
CLARESHOLM	939,942	133,625	176,731	337,503	**1,587,801**	1,555,666
COALDALE	584,256	122,543	140,059	321,354	**1,168,212**	1,141,225
COCHRANE	1,306,265	424,726	153,733	830,487	**2,715,211**	2,553,297
COLD LAKE	363,229	106,300	28,925	269,535	**767,989**	733,006
COLEMAN	304,882	34,814	22,035	138,855	**500,586**	473,703
CONSORT	544,519	42,349	68,455	170,368	**825,691**	825,810
CORONATION	475,317	52,884	45,348	240,381	**813,930**	825,718
CROSSFIELD	326,087	50,323	47,821	179,207	**603,438**	544,997
DAYSLAND	376,323	34,152	23,213	183,907	**617,595**	625,278
DELBURNE	244,565	26,514	29,205	124,019	**424,303**	403,369
DERWENT	122,516	9,514	4,549	50,390	**186,969**	163,871
DEVON	906,101	217,425	123,598	471,219	**1,718,343**	1,641,632
DIDSBURY	589,570	96,393	93,694	310,410	**1,090,067**	1,061,883
DRAYTON VALLEY	2,501,759	360,198	176,794	1,329,263	**4,368,014**	4,261,347
DRUMHELLER	2,187,117	364,132	497,749	990,624	**4,039,622**	3,914,848
ECKVILLE	530,147	58,163	55,120	245,495	**888,925**	887,934
EDGERTON	190,972	19,559	25,737	123,876	**360,144**	363,537
EDMONTON						
-ATHLONE	2,465,795	541,731	219,577	1,429,160	**4,656,263**	4,515,105
-BEVERLY	4,743,381	964,635	208,506	1,491,417	**7,407,939**	8,448,354
-BONNIE DOON	2,324,391	710,467	152,080	1,035,954	**4,222,892**	4,421,297
-CALLINGWOOD	2,469,207	1,164,204	242,873	1,478,279	**5,354,563**	5,084,282
-CAPILANO	6,736,875	1,877,868	345,926	2,494,916	**11,455,585**	12,178,500
-CASTLE DOWNS	2,174,481	681,882	211,663	1,233,205	**4,301,231**	4,279,060
-CENTENNIAL (closed 05/90)	658,075	146,806	53,842	307,926	**1,166,649**	3,628,521
-CENTRE	2,188,383	811,514	81,302	485,490	**3,566,689**	3,403,845
-CLAREVIEW	1,817,424	445,555	186,636	1,094,952	**3,544,567**	3,505,667

Schedule of Sales by Stores

For the year ended January 1, 1991

	SPIRITS	WINE	IMPORT BEER	DOMESTIC BEER	TOTAL SALES 1990	TOTAL SALES 1989
-EAST	2,424,728	623,375	136,750	1,795,002	**4,979,855**	5,210,628
-GARNEAU	836,612	535,766	88,470	517,206	**1,978,054**	832,511
-HERITAGE	3,503,531	1,592,211	314,772	2,013,856	**7,424,370**	4,713,721
-JASPER PLACE	1,962,599	593,482	125,252	832,767	**3,514,100**	5,102,747
-LONDONDERRY	4,151,127	982,753	322,646	2,254,250	**7,710,776**	9,200,779
-MEADOWLARK	2,920,810	954,910	231,494	1,356,416	**5,463,630**	4,983,406
-MILLBOURNE	5,098,738	1,415,593	397,338	2,907,264	**9,818,933**	9,106,167
-96TH STREET	1,831,540	689,502	77,081	1,393,474	**3,991,597**	3,773,650
-NORTHGATE	7,530,413	1,900,400	459,295	3,319,351	**13,209,459**	13,912,473
-106TH STREET	5,441,263	3,139,418	381,362	2,912,619	**11,874,662**	11,301,916
-123RD STREET	2,041,303	823,773	149,310	939,717	**3,954,103**	3,780,609
-SOUTHGATE	6,197,960	2,827,760	435,296	2,894,974	**12,355,990**	13,799,114
-SOUTHPARK	1,801,165	658,318	153,618	824,474	**3,437,575**	4,056,850
-STRATHCONA	3,267,051	1,471,729	292,732	1,978,675	**7,010,187**	7,799,307
-SUMMERLEA	5,154,855	1,770,021	413,086	2,540,344	**9,878,306**	9,844,184
-WEST EDMONTON MALL	1,336,272	565,881	54,705	261,374	**2,218,232**	1,653,348
-WESTMOUNT	5,714,307	1,827,936	388,513	2,646,867	**10,577,623**	11,176,466
-RETAIL BEER	-	-	-	122,432,610	**122,432,610**	107,722,730
EDSON	2,403,999	442,208	203,560	1,407,014	**4,456,781**	4,107,130
ELK POINT	574,780	79,712	20,834	330,852	**1,006,178**	965,389
EMPRESS	143,858	10,038	9,771	64,241	**227,908**	252,336
EVANSBURG	583,033	74,574	64,664	288,391	**1,010,662**	963,597
FAIRVIEW	1,035,040	151,099	31,747	546,471	**1,764,357**	1,651,011
FALHER	614,283	94,480	127,524	441,413	**1,277,700**	1,221,013
FOREMOST	223,974	33,201	44,508	85,443	**387,126**	393,797
FORESTBURG	398,387	50,104	35,464	171,040	**654,995**	639,209
FORT MACLEOD	914,682	421,770	264,292	492,584	**2,093,328**	1,993,790
FORT MCMURRAY						
-MAIN	5,352,246	1,060,923	261,862	4,255,437	**10,930,468**	10,109,232
-THICKWOOD	1,337,444	454,275	87,220	1,309,026	**3,187,965**	3,079,785
FORT SASKATCHWN	2,281,684	527,250	205,785	1,191,040	**4,205,759**	4,078,766
FORT VERMILION	610,043	53,923	13,132	337,966	**1,015,064**	917,981
FOX CREEK	571,413	75,288	60,761	351,351	**1,058,813**	914,288
GIBBONS	689,997	124,279	99,473	431,642	**1,345,391**	1,274,173
GLENDON	304,385	33,049	6,820	216,444	**560,698**	577,140
GRAND CENTRE	1,768,028	654,465	232,681	1,254,201	**3,909,375**	3,991,976
GRANDE CACHE	662,796	167,740	52,190	504,184	**1,386,910**	1,246,708
GRANDE PRAIRIE	7,017,537	1,313,728	538,145	3,969,501	**12,838,911**	12,102,982
GRIMSHAW	806,072	96,467	41,943	422,875	**1,367,357**	1,343,828
HANNA	1,102,336	121,144	100,815	487,795	**1,812,090**	1,924,847
HARDISTY	391,043	36,484	43,087	193,139	**663,753**	667,402
HIGH LEVEL	1,422,156	184,807	50,578	642,444	**2,299,985**	2,361,561
HIGH PRAIRIE	1,428,756	261,198	76,200	1,015,441	**2,781,595**	2,639,930
HIGH RIVER	1,447,794	298,849	225,948	669,441	**2,642,032**	2,332,150

SCHEDULE OF SALES BY STORES

For the year ended January 1, 1991

	SPIRITS	WINE	IMPORT BEER	DOMESTIC BEER	TOTAL SALES 1990	TOTAL SALES 1989
HINES CREEK	316,822	32,937	1,618	226,173	**577,550**	561,637
HINTON	2,010,468	480,073	118,335	1,393,353	**4,002,229**	4,080,545
HOLDEN	254,027	23,425	5,512	119,684	**402,648**	426,564
HYTHE	225,676	34,906	8,155	154,016	**422,753**	417,324
INNISFAIL	1,629,678	255,689	255,070	700,106	**2,840,543**	2,720,626
JASPER	1,964,743	1,116,497	160,482	1,243,585	**4,485,307**	4,186,775
KILLAM	583,228	64,110	71,701	220,317	**939,356**	935,354
LAC LA BICHE	1,394,396	276,973	50,620	832,389	**2,554,378**	2,365,003
LACOMBE	1,394,441	252,006	182,360	613,062	**2,441,869**	2,344,864
LAKE LOUISE	738,886	549,005	119,250	522,157	**1,929,298**	1,843,370
LAMONT	555,848	66,809	32,747	229,153	**884,557**	821,138
LEDUC	3,416,662	693,351	255,334	1,547,806	**5,913,153**	5,880,658
LEGAL	265,451	31,699	33,697	172,961	**503,808**	491,655
LETHBRIDGE						
-MAGRATH	1,879,434	495,370	290,292	940,587	**3,605,683**	3,445,527
-NORTH	4,044,025	956,461	390,187	832,206	**6,222,879**	6,084,182
-SOUTH	4,662,592	1,476,074	640,837	2,640,133	**9,419,636**	9,094,264
-RETAIL BEER	-	-	-	10,745,073	**10,745,073**	11,388,963
LLOYDMINSTER	4,041,720	653,037	415,333	2,009,031	**7,119,121**	6,924,123
MANNING	647,869	56,163	48,634	320,644	**1,073,310**	973,648
MANNVILLE	342,262	29,602	19,663	148,340	**539,867**	592,416
MARWAYNE	298,553	43,670	47,516	156,123	**545,862**	528,564
MAYERTHORPE	797,101	101,975	98,668	364,811	**1,362,555**	1,323,544
MCLENNAN	171,492	42,332	15,757	175,471	**405,052**	401,920
MEDICINE HAT						
-MAIN	6,167,668	991,928	914,003	1,317,590	**9,391,189**	10,029,157
-SOUTHVIEW	2,674,635	384,038	312,747	1,045,556	**4,416,976**	4,429,847
-RETAIL BEER (closed 03/90)	-	-	-	1,393,199	**1,393,199**	5,721,988
MILK RIVER	320,005	46,705	139,575	98,795	**605,080**	618,336
MILLET	359,144	55,638	24,968	230,943	**670,693**	611,932
MORINVILLE	892,623	180,844	105,546	603,369	**1,782,382**	1,567,501
MUNDARE	379,152	27,976	12,645	138,077	**557,850**	520,336
MYRNAM	190,802	15,762	12,619	82,569	**301,752**	279,961
NANTON	570,816	68,078	135,890	184,531	**959,315**	934,112
OKOTOKS	1,367,754	415,432	246,619	786,917	**2,816,722**	2,561,190
OLDS	1,726,331	304,104	199,039	699,946	**2,929,420**	2,806,338
ONOWAY	698,619	124,872	67,383	455,948	**1,346,822**	1,313,018
OYEN	618,277	70,304	43,887	277,516	**1,009,984**	1,010,244
PEACE RIVER	2,515,097	468,479	221,800	1,319,795	**4,525,171**	4,095,723
PICTURE BUTTE	460,794	77,393	75,040	246,331	**859,558**	831,170
PINCHER CREEK	1,322,126	371,178	233,593	701,266	**2,628,163**	2,598,654
PONOKA	1,716,485	361,883	218,518	761,222	**3,058,108**	2,918,663
PROVOST	1,078,038	101,251	124,449	425,017	**1,728,755**	1,743,907
RAINBOW LAKE	471,258	46,325	7,242	171,758	**696,583**	621,328

SCHEDULE OF SALES BY STORES

For the year ended January 1, 1991

	SPIRITS	WINE	IMPORT BEER	DOMESTIC BEER	TOTAL SALES 1990	TOTAL SALES 1989
RED DEER						
-CENTRE	2,189,134	456,231	208,147	999,947	**3,853,459**	3,745,007
-NORTH	3,506,233	670,383	422,352	1,641,464	**6,240,432**	5,191,746
-SOUTH	8,008,901	1,618,613	593,791	2,465,714	**12,687,019**	13,003,613
-RETAIL BEER	-	-	-	14,282,482	**14,282,482**	13,891,942
REDCLIFF	509,929	71,685	86,331	321,733	**989,678**	1,009,561
REDWATER	608,115	82,946	65,384	268,375	**1,024,820**	990,991
RIMBEY	884,373	126,208	95,880	447,646	**1,554,107**	1,490,062
ROCKY MOUNTAIN HOUSE	2,468,763	455,148	296,673	1,262,794	**4,483,378**	4,197,312
SEXSMITH	353,466	39,847	24,197	196,489	**613,999**	578,411
SHERWOOD PARK	6,677,014	1,761,683	528,619	3,332,715	**12,300,031**	11,611,851
SLAVE LAKE	2,247,418	313,882	153,982	1,338,697	**4,053,979**	3,546,604
SMOKY LAKE	733,336	63,975	33,631	320,083	**1,151,025**	1,122,290
SPIRIT RIVER	810,686	94,606	31,435	379,770	**1,316,497**	1,283,321
SPRUCE GROVE	3,233,386	770,213	346,137	1,667,168	**6,016,904**	5,840,415
ST. ALBERT						
-GRANDIN	1,765,091	580,551	155,576	801,113	**3,302,331**	3,710,812
-NORTH	4,627,019	1,610,152	501,653	2,278,280	**9,017,104**	8,545,124
-WAREHOUSE	22,076,653	14,984,569	4,434,478	7,326	**41,503,026**	37,652,513
ST. PAUL	1,948,914	349,038	84,596	950,921	**3,333,469**	3,296,506
STANDARD	125,525	18,154	18,485	92,399	**254,563**	239,666
STETTLER	2,109,826	265,326	185,292	686,539	**3,246,983**	2,994,568
STONY PLAIN	1,909,604	382,119	174,303	1,030,377	**3,496,403**	3,096,412
STRATHMORE	1,264,126	256,092	217,714	749,829	**2,487,761**	2,252,903
SUFFIELD	42,193	20,796	3,726	90,511	**157,226**	144,020
SUNDRE	970,580	153,629	91,335	518,618	**1,734,162**	1,658,515
SWAN HILLS	535,725	67,179	85,348	245,378	**933,630**	925,341
SYLVAN LAKE	1,186,103	231,351	218,604	750,469	**2,386,527**	2,153,184
TABER	1,398,735	198,904	344,153	601,738	**2,543,530**	2,387,899
THORHILD	500,146	48,334	35,642	208,038	**792,160**	738,556
THORSBY	519,001	64,376	27,429	229,643	**840,449**	833,594
THREE HILLS	317,559	44,907	41,285	143,953	**547,704**	546,694
TOFIELD	520,882	79,689	67,845	279,931	**948,347**	893,177
TROCHU	468,799	49,507	79,916	238,979	**837,201**	865,649
TURNER VALLEY	826,937	144,554	74,568	438,686	**1,484,745**	1,390,784
TWO HILLS	583,217	56,465	17,105	208,282	**865,069**	865,442
VALLEYVIEW	919,032	266,404	44,255	598,165	**1,827,856**	1,747,326
VAUXHALL	367,742	32,628	104,365	154,357	**659,092**	645,563
VEGREVILLE	1,837,689	228,608	50,593	725,946	**2,842,836**	2,833,886
VERMILION	1,405,079	188,798	90,399	620,839	**2,305,115**	2,279,278
VIKING	468,095	55,228	12,814	225,904	**762,041**	737,122
VILNA	405,432	58,451	17,274	197,018	**678,175**	647,047
VULCAN	736,733	80,347	120,226	249,743	**1,187,049**	1,124,435

Schedule of Sales by Stores

For the year ended January 1, 1991

	SPIRITS	WINE	IMPORT BEER	DOMESTIC BEER	TOTAL SALES 1990	TOTAL SALES 1989
WABAMUN	353,034	91,820	43,564	318,758	**807,176**	694,644
WAINWRIGHT	1,602,516	241,433	98,418	885,672	**2,828,039**	2,983,144
WARBURG	223,019	22,289	14,209	98,741	**358,258**	356,335
WATERTON PARK	112,683	84,631	20,336	107,246	**324,896**	335,060
WEMBLEY	188,675	32,584	15,602	148,977	**385,838**	352,141
WESTLOCK	1,877,029	311,626	138,342	945,250	**3,272,247**	3,170,396
WETASKIWIN	3,075,565	758,622	273,169	1,929,547	**6,036,903**	5,830,664
WHITECOURT	2,164,644	388,461	201,609	1,167,028	**3,921,742**	3,578,099
WILDWOOD	228,572	29,880	13,307	140,143	**411,902**	410,220
WILLINGDON	212,976	19,994	8,449	86,307	**327,726**	363,185
	$425,596,810	$135,058,978	$44,093,139	$440,055,595	**$1,044,804,522**	$1,003,436,423

Total Sales does not include Cold Beer Vendor Discounts

Statement of Sales by Customer Category

CUSTOMER	1990	1989
Public	**$690,134,002**	$686,670,544
Licensee	**340,101,660**	306,532,989
Wine Boutiques	**9,433,544**	8,184,697
Duty Free (1)	**1,012,642**	1,090,061
NATO (2)	**40,094**	46,789
Diplomatic (3)	**37,918**	53,167
TOTAL	**$1,040,759,860**	**$1,002,578,247**

(1) Duty Free — Sales made through duty free shops.
(2) NATO — Sales to NATO officers and visiting armed forces personnel training in Canada.
(3) Diplomatic — Sales to foreign embassies and consulates.

Statement of Sales to Licensees

Dollars ($000'S)

	1990				1989
LICENSEE	SPIRITS	WINE	BEER	TOTAL	TOTAL
Dining Lounges	$48,837	$22,284	$73,124	**$144,245**	$137,487
Beverage Rooms	19,857	1,788	89,663	**111,308**	114,696
Cold Beer Vendors			40,119	**40,119**	9,316
Clubs	7,524	2,322	16,375	**26,221**	25,397
Recreational Facilities	831	386	3,084	**4,301**	4,662
Dining Lounges (Restricted)	202	1,066	2,601	**3,869**	3,817
Canteens	708	232	2,488	**3,428**	4,055
Institutions	473	312	1,838	**2,623**	2,635
Sports Stadium	0	35	1,507	**1,542**	1,512
Special Events	30	88	625	**743**	691
Racetrack	24	35	589	**648**	407
Commercial Passenger Airplane	253	100	240	**593**	1,440
Theatres	120	98	99	**317**	317
Travellers Lounges	81	21	17	**119**	98
Passenger Train	10	8	7	**25**	3
TOTAL	**$78,950**	**$28,775**	**$232,376**	**$340,101**	**$308,533**

STATEMENTS BY PRODUCT TYPE — SUMMARY

Dollars - ($000's)

	DOMESTIC		IMPORT		TOTAL		%	
SALES	**1990**	1989	**1990**	1989	**1990**	1989	**1990**	1989
SPIRITS	**$330,767**	$329,564	**$92,173**	$88,613	**$422,940**	$418,177	**40.8%**	42.0%
WINE	**51,796**	55,296	**81,794**	74,615	**133,590**	129,911	**12.9%**	13.0%
BEER	**436,013**	409,345	**44,103**	39,150	**480,116**	448,495	**46.3%**	45.0%
TOTAL SALES	**$818,576**	**$794,205**	**$218,070**	**$202,378**	**$1,036,646**	**$996,583**	**100.0%**	**100.0%**
COST OF GOODS								
SPIRITS	**$141,380**	$143,844	**$38,410**	$37,434	**$179,790**	$181,278	**32.8%**	34.0%
WINE	**29,464**	31,510	**39,144**	35,248	**68,608**	66,758	**12.5%**	12.5%
BEER	**279,236**	265,538	**20,585**	19,119	**299,821**	284,657	**54.7%**	53.4%
TOTAL COST	**$450,080**	**$440,892**	**$98,139**	**$91,801**	**$548,219**	**$532,693**	**100.0%**	**100.0%**
GROSS PROFIT								
SPIRITS	**$189,387**	$185,720	**$53,763**	$51,179	**$243,150**	$236,899	**49.8%**	51.1%
WINE	**22,332**	23,786	**42,650**	39,367	**64,982**	63,153	**13.3%**	13.6%
BEER	**156,777**	143,807	**23,518**	20,031	**180,295**	163,838	**36.9%**	35.3%
TOTAL G.P.	**$368,496**	**$353,313**	**$119,931**	**$110,577**	**$488,427**	**$463,890**	**100.0%**	**100.0%**
VOLUME (Hectolitres)								
SPIRITS	**146,080**	152,753	**36,009**	36,004	**182,089**	188,757	**8.5%**	8.9%
WINE	**95,387**	107,289	**97,232**	93,515	**192,619**	200,804	**9.0%**	9.5%
BEER	**1,588,453**	1,560,435	**183,622**	167,942	**1,772,075**	1,728,377	**82.5%**	81.6%
TOTAL VOLUME	**1,829,920**	**1,820,477**	**316,863**	**297,461**	**2,146,783**	**2,117,938**	**100.0%**	**100.0%**

These totals do not include special orders, returns, stock shortages or duty free sales, and are net of deposits excluding domestic beer. Cost of goods sold are separated into domestic and import based on an individual category weighted average calculation of sales dollar percentage and sales volume percentage.

STATEMENTS BY PRODUCT TYPE — BEER

Dollars - ($000's)

	DOMESTIC		IMPORT		TOTAL		%	
SALES	**1990**	1989	**1990**	1989	**1990**	1989	**1990**	1989
STANDARD	**$306,981**	$282,772	**$42,986**	$38,008	**$349,967**	$320,780	**72.9%**	71.5%
LIGHT	**67,307**	68,466	**143**	82	**67,450**	68,548	**14.0%**	15.3%
LOW MALT	**13,635**	13,886	**7**	5	**13,642**	13,891	**2.8%**	3.1%
DRAUGHT	**48,090**	44,221	**967**	1,055	**49,057**	45,276	**10.2%**	10.1%
TOTAL SALES	**$436,013**	**$409,345**	**$44,103**	**$39,150**	**$480,116**	**$448,495**	**100.0%**	**100.0%**
COST OF GOODS								
STANDARD	**$187,825**	$176,850	**$19,942**	$18,438	**$207,767**	$195,288	**69.3%**	68.6%
LIGHT	**43,979**	43,533	**74**	43	**44,053**	43,576	**14.7%**	15.3%
LOW MALT	**8,566**	8,497	**3**	3	**8,569**	8,500	**2.9%**	3.0%
DRAUGHT	**38,866**	36,658	**566**	635	**39,432**	37,293	**13.2%**	13.1%
TOTAL COST	**$279,236**	**$265,538**	**$20,585**	**$19,119**	**$299,821**	**$284,657**	**100.0%**	**100.0%**
GROSS PROFIT								
STANDARD	**$119,156**	$105,922	**$23,044**	$19,570	**$142,200**	$125,492	**78.9%**	76.6%
LIGHT	**23,328**	24,933	**69**	39	**23,397**	24,972	**13.0%**	15.2%
LOW MALT	**5,069**	5,389	**4**	2	**5,073**	5,391	**2.8%**	3.3%
DRAUGHT	**9,224**	7,563	**401**	420	**9,625**	7,983	**5.3%**	4.9%
TOTAL G.P.	**$156,777**	**$143,807**	**$23,518**	**$20,031**	**$180,295**	**$163,838**	**100.0%**	**100.0%**
VOLUME (Hectolitres)								
STANDARD	**1,037,719**	1,000,577	**179,398**	163,476	**1,217,117**	1,164,053	**68.7%**	67.3%
LIGHT	**237,679**	250,651	**414**	242	**238,093**	250,893	**13.4%**	14.5%
LOW MALT	**45,502**	46,936	**23**	20	**45,525**	46,956	**2.6%**	2.7%
DRAUGHT	**267,553**	262,271	**3,787**	4,204	**271,340**	266,475	**15.3%**	15.4%
TOTAL VOLUME	**1,588,453**	**1,560,435**	**183,622**	**167,942**	**1,772,075**	**1,728,377**	**100.0%**	**100.0%**

These totals do not include special orders, returns, stock shortages or duty free sales. Domestic beer cost of goods sold was calculated using a weighted average of sales dollar percentages and sales volume percentages.

STATEMENTS BY PRODUCT TYPE — SPIRITS

Dollars - ($000's)

	DOMESTIC		IMPORT		TOTAL		%	
SALES	**1990**	1989	**1990**	1989	**1990**	1989	**1990**	1989
WHISKEY	**$157,842**	$160,425	**$35,628**	$34,382	**$193,470**	$194,807	**45.7%**	46.6%
GIN	**7,729**	8,093	**3,180**	3,219	**10,909**	11,312	**2.6%**	2.7%
LIQUEURS	**14,992**	16,293	**36,302**	34,766	**51,294**	51,059	**12.1%**	12.2%
RUM	**67,814**	66,559	**5,245**	4,588	**73,059**	71,147	**17.3%**	17.0%
VODKA	**78,864**	75,784	**6,942**	6,252	**85,806**	82,036	**20.3%**	19.6%
OTHERS	**3,526**	2,410	**4,876**	5,406	**8,402**	7,816	**2.0%**	1.9%
TOTAL SALES	**$330,767**	**$329,564**	**$92,173**	**$88,613**	**$422,940**	**$418,177**	**100.0%**	**100.0%**
COST OF GOODS								
WHISKEY	**$67,614**	$70,487	**$14,315**	$14,106	**$81,929**	$84,593	**45.6%**	46.7%
GIN	**3,334**	3,501	**1,327**	1,353	**4,661**	4,854	**2.6%**	2.7%
LIQUEURS	**7,223**	7,880	**15,647**	15,059	**22,870**	22,939	**12.7%**	12.7%
RUM	**28,927**	28,844	**2,197**	1,949	**31,124**	30,793	**17.3%**	17.0%
VODKA	**32,817**	32,109	**2,924**	2,671	**35,741**	34,780	**19.9%**	19.2%
OTHERS	**1,465**	1,023	**2,000**	2,296	**3,465**	3,319	**1.9%**	1.8%
TOTAL COST	**$141,380**	**$143,844**	**$38,410**	**$37,434**	**$179,790**	**$181,278**	**100.0%**	**100.0%**
GROSS PROFIT								
WHISKEY	**$90,228**	$89,938	**$21,313**	$20,276	**$111,541**	$110,214	**45.9%**	46.5%
GIN	**4,395**	4,592	**1,853**	1,866	**6,248**	6,458	**2.6%**	2.7%
LIQUEURS	**7,769**	8,413	**20,655**	19,707	**28,424**	28,120	**11.7%**	11.9%
RUM	**38,887**	37,715	**3,048**	2,639	**41,935**	40,354	**17.2%**	17.0%
VODKA	**46,047**	43,675	**4,018**	3,581	**50,065**	47,256	**20.6%**	19.9%
OTHERS	**2,061**	1,387	**2,876**	3,110	**4,937**	4,497	**2.0%**	1.9%
TOTAL G.P.	**$189,387**	**$185,720**	**$53,763**	**$51,179**	**$243,150**	**$236,899**	**100.0%**	**100.0%**
VOLUME (Hectolitres)								
WHISKEY	**67,648**	73,027	**13,395**	13,601	**81,043**	86,628	**44.5%**	45.9%
GIN	**3,443**	3,742	**1,326**	1,405	**4,769**	5,147	**2.6%**	2.7%
LIQUEURS	**6,887**	7,680	**13,406**	13,195	**20,293**	20,875	**11.1%**	11.1%
RUM	**29,940**	30,587	**2,233**	2,026	**32,173**	32,613	**17.7%**	17.3%
VODKA	**36,409**	36,307	**3,284**	3,061	**39,693**	39,368	**21.8%**	21.0%
OTHERS	**1,753**	1,210	**2,365**	2,716	**4,118**	3,926	**2.3%**	2.1%
TOTAL VOLUME	**146,080**	**152,753**	**36,009**	**36,004**	**182,089**	**188,757**	**100.0%**	**100.0%**

These totals do not include special orders, returns, stock shortages or duty free sales, and are net of deposits.
Cost of goods sold are separated into domestic and import based on an individual category weighted average calculation of sales dollar percentage and sales volume percentage.

STATEMENTS BY PRODUCT TYPE — WINE

Dollars - ($000's)

	DOMESTIC		IMPORT		TOTAL		%	
SALES	**1990**	1989	**1990**	1989	**1990**	1989	**1990**	1989
DESSERT	**$4,512**	$4,824	**$2,237**	$2,589	**$6,749**	$7,413	**10.0%**	10.7%
TABLE	**25,871**	26,858	**67,456**	60,293	**93,327**	87,151	**74.8%**	72.0%
SPARKLING	**4,983**	5,218	**4,434**	4,281	**9,417**	9,499	**12.0%**	12.3%
CHAMPAGNE	**724**	980	**3,618**	3,286	**4,342**	4,266	**8.2%**	8.2%
OTHERS	**125**	206	**3,052**	2,990	**3,177**	3,196	**7.3%**	7.4%
CIDERS/COOLERS	**15,581**	17,210	**997**	1,176	**16,578**	18,386	**17.4%**	19.1%
TOTAL SALES	**$51,796**	**$55,296**	**$81,794**	**$74,615**	**$133,590**	**$129,911**	**100.0%**	**100.0%**
COST OF GOODS								
DESSERT	**$2,110**	$2,195	**$781**	$893	**$2,891**	$3,088	**9.2%**	9.6%
TABLE	**14,985**	15,458	**32,708**	28,886	**47,693**	44,344	**74.5%**	71.4%
SPARKLING	**2,885**	3,062	**1,888**	1,812	**4,773**	4,874	**11.9%**	12.3%
CHAMPAGNE	**533**	708	**1,811**	1,588	**2,344**	2,296	**8.4%**	8.4%
OTHERS	**61**	107	**1,335**	1,314	**1,396**	1,421	**7.0%**	7.1%
CIDERS/COOLERS	**8,890**	9,980	**621**	755	**9,511**	10,735	**18.8%**	21.0%
TOTAL COST	**$29,464**	**$31,510**	**$39,144**	**$35,248**	**$68,608**	**$66,758**	**100.0%**	**100.0%**
GROSS PROFIT								
DESSERT	**$2,402**	$2,629	**$1,456**	$1,696	**$3,858**	$4,325	**10.9%**	11.8%
TABLE	**10,886**	11,400	**34,748**	31,407	**45,634**	42,807	**75.2%**	72.7%
SPARKLING	**2,098**	2,156	**2,546**	2,469	**4,644**	4,625	**12.1%**	12.3%
CHAMPAGNE	**191**	272	**1,807**	1,698	**1,998**	1,970	**8.0%**	8.1%
OTHERS	**64**	99	**1,717**	1,676	**1,781**	1,775	**7.7%**	7.8%
CIDERS/COOLERS	**6,691**	7,230	**376**	421	**7,067**	7,651	**15.8%**	17.1%
TOTAL G.P.	**$22,332**	**$23,786**	**$42,650**	**$39,367**	**$64,982**	**$63,153**	**100.0%**	**100.0%**
VOLUME (Hectolitres)								
DESSERT	**6,298**	6,478	**1,664**	1,924	**7,962**	8,402	**9.1%**	9.1%
TABLE	**45,490**	50,631	**84,047**	79,532	**129,537**	130,163	**72.2%**	69.8%
SPARKLING	**8,068**	9,312	**3,799**	3,858	**11,867**	13,170	**11.1%**	11.5%
CHAMPAGNE	**674**	920	**1,669**	1,455	**2,343**	2,375	**6.2%**	6.1%
OTHERS	**172**	325	**3,423**	3,456	**3,595**	3,781	**6.8%**	6.8%
CIDERS/COOLERS	**34,685**	39,623	**2,630**	3,290	**37,315**	42,913	**24.3%**	26.3%
TOTAL VOLUME	**95,387**	**107,289**	**97,232**	**93,515**	**192,619**	**200,804**	**100.0%**	**100.0%**

These totals do not include special orders, returns, stock shortages or duty free sales, and are net of deposits.
Cost of goods sold are separated into domestic and import based on an individual category weighted average calculation of sales dollar percentage and sales volume percentage.

STATEMENTS BY PRODUCT TYPE — SPECIAL ORDER SALES

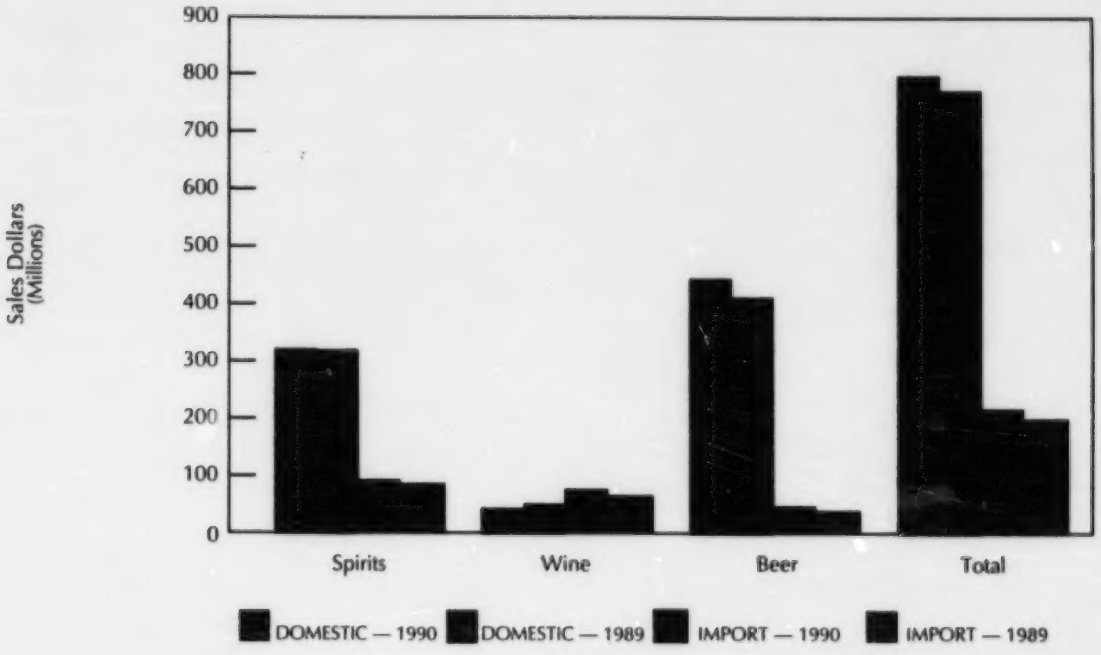
Dollars - ($000's)

	DOMESTIC		IMPORT		TOTAL		% TOTAL SALES	
SPIRITS	**1990**	1989	**1990**	1989	**1990**	1989	**%**	%
WHISKEY	**$7**	$10	**$7**	$70	**$14**	$80	**0.3%**	1.3%
BRANDY	**1**	2	**7**	33	**8**	35	**0.2%**	0.6%
GIN	**1**	2	**2**	1	**3**	3	**0.1%**	0.0%
LIQUEURS	**11**	20	**7**	129	**18**	149	**0.4%**	2.5%
RUM	**7**	45	**5**	2	**12**	47	**0.3%**	0.8%
VODKA	**5**	104	**3**	2	**8**	106	**0.2%**	1.8%
OTHERS	**158**	409	**3**	11	**161**	420	**3.8%**	6.9%
TOTAL SPIRITS	**190**	592	**34**	**248**	**224**	**840**	**5.3%**	**13.9%**
WINES								
DESSERT	**3**	6	**170**	97	**173**	103	**4.1%**	1.7%
TABLE	**168**	214	**3,321**	4,435	**3,489**	4,649	**83.0%**	76.8%
SPARKLING	**3**	15	**150**	168	**153**	183	**3.6%**	3.0%
TOTAL WINES	**174**	**235**	**3,641**	**4,700**	**3,815**	**4,935**	**90.7%**	**81.6%**
BEER								
STANDARD	**13**	10	**153**	265	**166**	275	**3.9%**	4.5%
TOTAL SPECIAL ORDERS	**$377**	**$837**	**$3,828**	**$5,213**	**$4,205**	**$6,050**	**100.0%**	**100.0%**

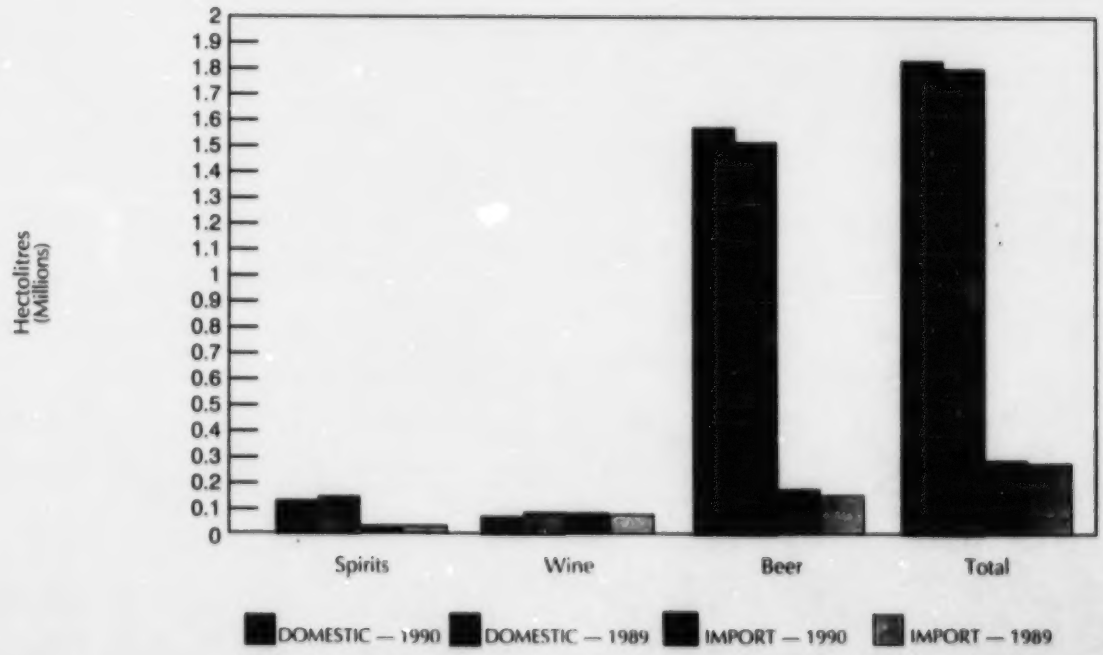
1. Special orders sales include requests for products that the ALCB does not normally carry in inventory.
2. Volume information is not available for special orders.
3. Special order sales are categorized as follows:

Licensees	$914,000
Individuals	3,291,000
	$4,205,000

Comparative Sales Dollars



Comparative Sales Volumes



Schedule of Payments to Governments

	Fiscal 1990	Fiscal 1989
FEDERAL GOVERNMENT		
Receiver General		
Excise, Duty and Federal Sales Tax	**$129,063,369**	$133,995,981
PROVINCIAL GOVERNMENT		
Provincial Treasurer		
Remittances	**400,000,000**	379,000,000
MUNICIPAL GOVERNMENTS		
Property Taxes	**2,936,717**	2,718,706
Business Taxes	**750,664**	721,957
	3,687,381	3,440,663
PAYMENTS TO GOVERNMENTS BY ALCB	**532,750,750**	516,436,644
ALBERTA BREWERS		
Sales & Excise taxes paid directly to the federal government (excluding wineries and distillers)	**64,627,277**	63,261,242
TOTAL PAYMENTS TO GOVERNMENTS	**$597,378,027**	$579,697,886

FINANCIAL STATEMENTS

AUDITOR'S REPORT

To the Members of the
Alberta Liquor Control Board

I have audited the balance sheet of the Alberta Liquor Control Board as at January 1, 1991 and the statements of income, unremitted income and changes in financial position for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at January 1, 1991 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Donald D. Salmon, FCA
Auditor General

Edmonton, Alberta
April 5, 1991

Balance Sheet

January 1, 1991

	Fiscal 1990	Fiscal 1989
ASSETS	**($000's)**	($000's)
Current Assets		
Cash and Short-term Deposits	**$31,071**	$15,819
Accounts Receivable	**5,249**	1,090
Inventories (Note 3)	**55,871**	66,823
Prepaid Expenses	**2,534**	2,162
	94,725	85,894
Fixed Assets (Note 4)	**119,598**	120,900
Deferred Charges	**208**	202
	$214,531	$206,996
LIABILITIES AND APPROPRIATION		
Current Liabilities		
Accounts Payable	**$31,868**	$28,111
Unremitted Income Payable to Provincial Treasurer	**44,663**	40,885
	76,531	68,996
Appropriation for Capital (Note 5)	**138,000**	138,000
	$214,531	$206,996

Approved by Management:

B. King
Chairman and Chief Executive Officer

D.M. Dart, C.A.
Executive Director, Finance & Administration

The accompanying notes are part of these financial statements.

Statement of Income

For the year ended January 1, 1991

	Fiscal 1990	Fiscal 1989
SALES	**($000's)**	($000's)
Beer	**$480,104**	$448,452
Spirits	**425,597**	420,468
Wine	**135,059**	133,658
	1,040,760	1,002,578
COST OF GOODS SOLD		
Beer	**299,885**	284,687
Spirits	**180,548**	181,638
Wine	**71,201**	69,702
	551,634	536,027
GROSS PROFIT ON SALES	**489,126**	466,551
Operating Expenses (Note 6)	**85,437**	82,746
NET PROFIT ON SALES	**403,689**	383,805
Other Income, net (Note 7)	**2,655**	1,856
Environmental Expense, net (Note 8)	**(2,566)**	(2,603)
NET INCOME FOR THE YEAR	**$403,778**	$383,058

Statement of Unremitted Income

For the year ended January 1, 1991

	Fiscal 1990	Fiscal 1989
	($000's)	($000's)
UNREMITTED INCOME, beginning of year	**$40,885**	$36,827
Net Income for the year	**403,778**	383,058
	444,663	419,885
Remittances to Provincial Treasurer	**400,000**	379,000
UNREMITTED INCOME, end of year	**$44,663**	$40,885

Statement of Changes in Financial Position

For the year ended January 1, 1991

	Fiscal 1990	Fiscal 1989
CASH FROM OPERATIONS	**($000's)**	($000's)
Net Income	**$403,778**	$383,058
Depreciation and amortization	**5,036**	5,710
Gain on disposal of fixed assets, net	**89**	(240)
Net change in non-cash working capital balances	**10,178**	(22,318)
	419,081	366,210
REMITTANCES TO PROVINCIAL TREASURER	**(400,000)**	(379,000)
	19,081	(12,790)
CASH USED FOR INVESTMENT		
Increase in Deferred Charges	**(6)**	(7)
Purchase of fixed assets	**(3,853)**	(5,905)
Proceeds on Disposal of Fixed Assets	**30**	321
	(3,829)	(5,591)
INCREASE (DECREASE) IN CASH, during the year	**15,252**	(18,381)
CASH, beginning of year	**15,819**	34,200
CASH, end of year	**$31,071**	$15,819

CASH is defined as cash and short-term deposits.

Notes to the Financial Statements

January 1, 1991

Note 1 Authority

The Alberta Liquor Control Board operates under the authority of the Liquor Control Act, Chapter L-17, Revised Statutes of Alberta 1980, as amended.

Note 2 Significant Accounting Policies and Reporting Practices

Fiscal Year

The Liquor Control Act specifies the first Tuesday in each calendar year as the fiscal year end of the Board. Accordingly, the fiscal year 1990 was comprised of 52 weeks ending January 1, 1991 and fiscal year 1989 was comprised of 52 weeks ending January 2, 1990.

Inventories

Inventories are valued at cost which is not in excess of net realizable value. Cost is determined as follows:

Stores and Warehouses - Invoiced cost, freight, duties and taxes
In Bond - Invoiced cost and freight
In Transit - Invoiced cost
Stock Futures - Invoiced cost

Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are calculated on the straight-line method at annual rates which will reduce the original cost to estimated residual value over the useful life of the asset, as follows:

Buildings:		
	Of a permanent nature	2.5%
	Of a mobile nature	5%
Furniture and Equipment:		
	Cost $50,000 and greater	10% to 33.3%
	Cost less than $50,000	100%
Leasehold Improvements:		2.5% or remainder of lease whichever is less
Vehicles:		
	Gas	20%
	Diesel	12.5%

Deferred Charges

Deferred charges represent lease and maintenance prepayments which are long term and are amortized over the life of the agreements.

Notes to the Financial Statements

Note 3 Inventories

	January 1, 1991			January 2, 1990
	($000's)			($000's)
	Spirits & Wine	Beer	**Total**	Total
Location				
Stores	$16,185	$5,322	**$21,507**	$34,102
Warehouses				
Duty Paid	17,128	27	**17,155**	4,532
In Bond	12,327	977	**13,304**	23,301
In Transit	2,869	150	**3,019**	4,431
Stock Futures	886	-	**886**	457
	$49,395	$6,476	**$55,871**	$66,823

Duties and taxes amounting to approximately $6,740,000 (January 2, 1990 - $15,454,000) will become payable when inventories held in bond are released for sale.

Note 4 Fixed Assets

	January 1, 1991			January 2, 1990
	($000's)			($000's)
	Cost	Accumulated Depreciation and Amortization	**Net Book Value**	Net Book Value
Land	$23,359	$ -	**$23,359**	$23,345
Buildings	111,911	23,250	**88,661**	89,452
Furniture and Equipment	26,812	24,473	**2,339**	2,646
Leasehold Improvements	7,934	3,114	**4,820**	5,041
Vehicles	159	123	**36**	43
Computer Software	808	425	**383**	373
	$170,983	$51,385	**$119,598**	$120,900

Depreciation and amortization for the year amounted to $5,036,000 (fiscal 1989 - $5,710,000).

Notes to the Financial Statements

Note 5 Appropriation for Capital

The Liquor Control Act provides that the Board shall maintain a capital account to provide funds for acquiring land and buildings and maintaining the inventories and other assets necessary to the operations of the Board.

Note 6 Operating Expenses

	Fiscal 1990 ($000's)	Fiscal 1989 ($000's)
Salaries and benefits:		
Union & excluded salaries	$21,013	$20,547
Management salaries	16,110	14,622
Casual and part-time wages	12,294	12,763
Payroll benefits	6,101	5,329
Other benefits	235	311
	55,753	53,572
Property	13,263	12,314
Depreciation and amortization	4,990	5,666
Data processing	2,475	2,422
Stationery and supplies	2,395	2,825
Freight	1,398	1,274
Travel and training	851	784
Telephone and communication	701	757
Bank charges	620	433
Contract fees	554	406
Equipment and vehicles	368	406
Other	2,069	1,887
	$85,437	$82,746

Note 7 Other Income, Net

	Fiscal 1990 ($000's)	Fiscal 1989 ($000's)
Licences and permits:		
Revenue	$1,843	$1,836
Expenditure	3,462	3,189
	(1,619)	(1,353)
Miscellaneous	2,197	1,782
Liquor levies and commissions	2,166	1,187
Gain (loss) on disposal of fixed assets, net	(89)	240
	$2,655	$1,856

Note 8 **Environmental Expense, Net**

This expense represents the net cost of administering and refunding deposits on spirits, wine and imported beer containers pursuant to the Beverage Container Act, Chapter B-4, Revised Statutes of Alberta 1980, as amended.

Note 9 **Commitments**

Capital

The Board has commitments in respect of land purchase agreements and uncompleted building contracts of approximately $662,000 (January 2, 1990 - $1,087,000).

Leases

A number of the Board's stores operate under lease arrangements with terms ranging from one to fifty years. Numerous store leases presently being renegotiated have been included using the expected terms of the contract settlements. The Board also leases data processing equipment with terms ranging from one to four years. The approximate aggregate rental under these arrangements is summarized as follows:

		($000's)
Fiscal	1991	$4,742
	1992	3,849
	1993	3,458
	1994	3,096
	1995	2,592
Balance to expiry		14,303
		$32,040